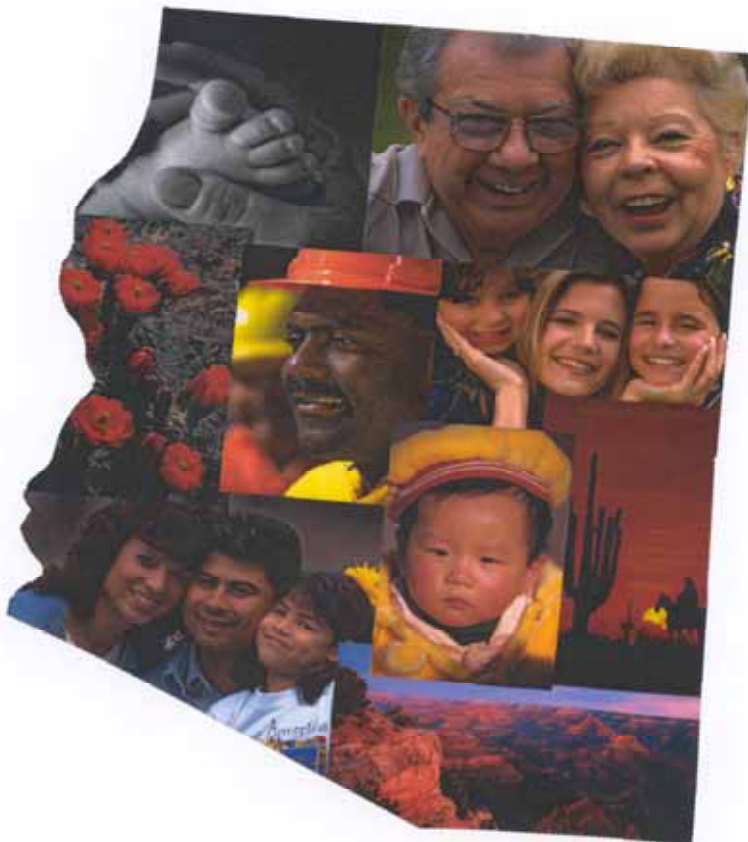


# ARIZONA DEPARTMENT OF HEALTH SERVICES

Strategic Plan  
Fiscal Year 2006-2010



Leadership for a Healthy Arizona

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# Letter from the Director

It is my pleasure to share with you the Arizona Department of Health Services' Fiscal Year 2006-2010 Strategic Plan. As we continue to meet the challenges of the State's budget crisis, it becomes increasingly important that we focus our resources in order to maximize our efforts. This plan does just that.

This plan covers the wide array of Department efforts. While every individual program or initiative is not mentioned, I believe the scope of this document is broad enough to capture critical issues affecting every employee and every program in the Department. I also believe that by focusing on these issues, we can make great strides in protecting and improving the health of all Arizonans.

This agenda is ambitious. Many of the goals and objectives listed will not be accomplished in the short term. However, I believe that recent successes demonstrate that we can make a difference in improving the health of Arizonans. The dedication and talent of this Department's employees continually amaze me.

I am confident that by working together cooperatively, we can accomplish the lofty goals and objectives set forth in this document.

I would like to personally thank all of you that contributed your valuable time to this document. Recognizing that our staff is our greatest resource, this plan was developed with the input of staff and senior managers over the past several months. Without their ideas and input, this plan would not have been possible.

I look forward to working with all of you in implementing our strategic plan and creating a healthier future for all Arizonans.

Catherine R. Eden  
Director

## **Arizona Department of Health Services**

### Agency Description

The Arizona Department of Health Services is responsible for public health, behavioral health – including the Arizona State Hospital, emergency medical services, the state laboratory, public health data and statistics, vital records, disease control, and licensing and certification of health and child care facilities.

### Mission Statement

Setting the standard for personal and community health through direct care delivery, science, public policy and leadership.

### Vision Statement

Leadership for a Healthy Arizona

### Values

We demonstrate leadership by:

- Listening to each other and being fair and impartial;
- Involving communities and respecting their input and opinions;
- Treating each other with dignity and respect;
- Broadening our cultural and social horizons beyond our usual experiences;
- Treating others with compassion and responsibility;
- Fostering teamwork within and outside the Department;
- Taking responsibility and accountability for our actions;
- Producing timely and reliable data and information;
- Encouraging innovation and recognizing contributions;
- Creating a work environment that encourages input and feedback;
- Embracing new ideas and new technology;
- Effectively dealing with current and emerging health issues.

**Goal 1: To promote and protect the health of Arizona’s children and adults.**



Strategy 1: Improve Arizonans’ health outcomes by preventing disease, reducing disability, and increasing access to care.

Objective 1.1: Reduce the incidence and impact of chronic disease and disability.

*Strategic Issue: Promoting optimal health and wellness.*

The Department of Health Services is committed to prevention and health promotion as the path to optimal health and wellness for all Arizonans.

The profile of diseases contributing most heavily to death, illness, and disability among Americans has changed dramatically during the last century. Today, chronic diseases—such as cardiovascular disease (primarily heart disease and stroke), cancer, and diabetes—are among the most prevalent, costly, and preventable of all health problems (CDC, 2004).

The Department is working with health care providers, employees, and organizations to place greater emphasis on the importance of prevention and health promotion activities. By providing leadership and state-of-the-art health information to professionals and consumers alike, the Department can promote healthier lifestyles and reduce the incidence of chronic and degenerative diseases.

Objective 1.2: Increase access to primary health care.

Objective 1.3: Improve health outcomes for women and children.

Objective 1.4: Improve outcomes of health marketing efforts.

Objective 1.5: Partner with community members, agencies and businesses in implementing health initiatives.

*Strategic Issue: Reducing health disparities by developing targeted information and outreach to Arizona communities.*

Current health data on Arizona residents shows marked differences in rates of disease and mortality among specific population groups. The Department is committed to addressing disparities in Arizona by increasing dialogue with communities, improving access to public health information, and working collaboratively on community action specifically targeted to improve health outcomes through prevention. The Department will also work to ensure that *all* Arizonans receive timely diagnosis and treatment of health conditions through expanded access to primary care.

#### Performance Measures:

- Percent of adults who smoked in the last month.
- Percent of high school youth who used any type of tobacco in the last 30 days.
- Percent of Hispanic adults who smoked in the last 30 days.
- Percent of Hispanic high school youth who used any type of tobacco in the last 30 days.
- Percent of African American adults who smoked in the last 30 days.
- Percent of African American youth who used any type of tobacco in the last 30 days.
- Percent of American Indian adults who smoked in the last 30 days.
- Percent of American Indian youth who used any type of tobacco in the last 30 days.
- Percent of adult population meeting nutrition standards.
- Number of women of child bearing age receiving folic acid education and multivitamins.
- Number of local health care workers trained on diabetes, nutrition, physical activity, asthma, and environmental triggers in STEPS communities.
- Number of schools participating in school-based, evidence-based disease prevention efforts.
- Percent of schools with after-school physical activity programs.
- Number of J-1 visa waivers supported.
- Number of National Health Service Corp placements.
- Number of Health Professional Shortage act designations obtained.

- Number of children receiving follow-up services through Community Health Nursing.
- Percent of the population served by community water systems with optimally fluoridated water.
- Number of children who receiving preventative dental sealants through the Arizona Dental Sealant Program.
- Percent of high-risk children who receive dental care annually.
- Percent of families reporting they receive care for their child with special health care needs in a medical home.

*Strategic Issue: Responding to threats and emergencies that place the health of Arizona's populations at risk.*

Over its history, the Department has played a critical role in responding to emergencies, including infectious disease epidemics, chemical spills, and fires. Diverse threats, such as chemical, biological, and radiological terrorism, provide new challenges to the Department of Health Services – the lead agency responsible for the health of Arizona residents – to rapidly and efficiently respond to health emergencies. The Department also has a critical role to play in prevention of injury and the development of a trauma system, which can respond to both the every day emergency needs of the public as well as to large-scale events. Critical to success is the working partnerships developed with federal, county, and tribal health agencies, community-based organizations, public safety agencies, the media, the military, behavioral health providers, emergency medical service providers, Arizona State Hospitals, and Arizona/Sonora border agencies. Maintaining systems in communication and information technology is critical to ensuring that emergency preparedness efforts can respond through early warning systems, rapid communication, mobilization, and coordinated response.



Strategy 2: Build and support public health infrastructures that detect, control and protect Arizonans from infectious and environmental

threats and enhance the State's ability to respond to public health emergencies.

Objective 2.1: Partner with community providers and other public health entities to further refine coordinated responses to public health threats, risks, and emergencies.

Objective 2.2: Improve the timeliness of processing, analyzing and reporting disease surveillance and laboratory data.

Objective 2.3: Decrease the incidence of injury and disease.

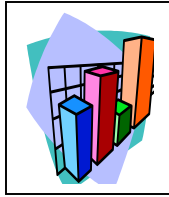
Performance Measures:

- Number of persons who have received training on bioterrorism and public health emergency response activities.
- Number of agencies, organizations, and other entities reporting to MEDSIS.
- Percent of resident children under 6 years of age in the immunization registry with an immunization event.
- Percent of adults (65+) vaccinated for influenza.
- Unintentional injury-related death of children ages 1-14 (per 100,000).
- Number of persons with Hepatitis C per 100,000.
- Cases of lead poisoning ( $Pb > 20 \mu g/dL$ ).
- Number of new HIV cases per 100,000.
- Older adult death rates (ages 65+) per 100,000 as a result of a serious fall.

*Strategic Issue: Enhancing data collection and public health surveillance.*

The health of Arizonans depends in large part on the capability of the Public Health System of Arizona to monitor and identify the diseases, health risks, and populations at risk. This information needs to be accessible, accurate and timely enough to allow for the appropriate public health response whether it is primary, secondary or tertiary prevention.

The effective application of disease prevention strategies is heavily dependent on the quality of surveillance and intelligence information. Standards in the collection, processing, analysis and summarization of health-related data are essential to meeting the needs of the Department.



Strategy 3: Enhance collection, analysis, and dissemination of data and public health surveillance efforts to support Departmental goals and programmatic and public policy decisions.

Objective 3.1: Standardize key data elements to allow for better integration, linkages, and warehousing.

Objective 3.2: Ensure availability of public health data to public health partners while protecting confidentiality.

Objective 3.3: Ensure that public health data meet programmatic needs for high quality data.

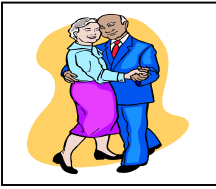
Objective 3.4: Produce timely and accurate data using state of the art technology for data collection, processing, and analysis.

Objective 3.5: Ensure statutes and rules provide proper authorization and flexibility to collect and use public health data.

Performance Measure:

- Number of emergency department and patient data records processed (in millions).





Strategy 4: Identify, connect, and provide support for programs and practices that encourage and enable older adults to remain healthy, engaged community members.

Objective 4.1: Identify data and trends related to the health of older adults.

Objective 4.2: Enhance health promotion and disease prevention efforts aimed at improving the health of older adults.

Objective 4.3: Collaborate with community partners to foster statewide workforce development efforts.

Objective 4.4: Identify and implement changes needed to protect older adults in licensed long-term care and community-based facilities.

Objective 4.5: Identify and address the behavioral health needs of older adults.

#### Performance Measures:

- Percent of adults (65+) receiving the flu vaccine.
- Older adult death rates (ages 65+) per 100,000 as a result of a serious fall.
- Number of older adults (age 65+) served by the behavioral health system.
- Percent of physically active older adults (age 65+).



Strategy 5: Recognize, involve, and communicate with public health constituencies.

Objective 5.1: Support and participate in academic research to develop best practices related to public health.

Objective 5.2: Partner with county health departments in communication, planning, resource allocation and program development efforts.

Objective 5.3: Improve and standardize the contracting process with counties, tribes, and other public health entities.

Objectives 5.4: Provide support to the twenty-one tribes of Arizona, the three urban Indian health programs, the Inter Tribal Council of Arizona, and the Indian Health Service in accomplishing their public health goals and objectives.

Objective 5.5: Coordinate and integrate cross-border public health program efforts.

Objective 5.6: Enhance the relationship between the state and federal agencies by strengthening the interactions between federal assignees and state staff.

Performance Measure:

- Number of public health internships sponsored by the Department.

*Strategic Issue: Recognizing, involving, collaborating and communicating with public health constituencies.*

The Department's public health efforts depend on strong relationships with its public health partners. Such partners include other state agencies, the universities, county and local health departments, federal and bi-national health entities, public health associations, and non-profits and advocacy organizations. The Department is committed to improving these relationships by involving such constituencies in planning and resource allocation efforts.

Many of the Department's relationships pose unique challenges and opportunities. For example, the Department needs to foster collaborative efforts with cross-border agencies to identify, monitor, prevent, control, and evaluate public health issues and efforts.

The Department also needs to foster its relationships with the tribes and urban Indian health programs. The Department needs to recognize the sovereignty and self-determination of the tribes as it forms collaborative relationships. It needs to not only involve the tribes in Department-driven efforts, but also provide assistance in tribe-driven efforts.

The Department's relationship with academic institutions also provides unique challenges and opportunities. Many current and future public health issues stem from public health workforce needs such as recruitment, training, and retention. Partnering with academic institutions is vital to confronting such challenges. Similarly, the Department needs to support and foster public health research by partnering with the universities, since academic institutions are often leaders in identifying promising public health practices.

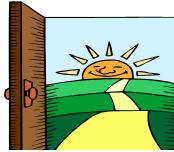
**Goal 2: To ensure a comprehensive, unified behavioral health system for Arizonans.**

*Strategic Issue: Addressing Arizona's high suicide rate.*

In Arizona, the incidence of suicide is a major concern. In 1997, the suicide mortality rate among adolescents 15-19 years old was 23.7 per 100,000. This was the second highest rate in the United States. Suicide among older adults in our state is also a major concern. In 1997, Arizona ranked third highest in suicides among those age 75 - 79 years old.

Major depression is often the underlying cause of suicide. Indeed, nearly two-thirds of suicides that occur nationally are attributed to depression.

Depression is treatable. Available medications and psychological treatments, alone or in combination, can help 80 percent of those with depression. With adequate treatment, future episodes of depression can be prevented or reduced in severity. Treatment for depression can enable people to return to satisfactory, functioning lives.



Strategy 1: Promote understanding of the importance of behavioral health in overall wellness.

Objective 1.1: Improve suicide prevention and treatment services in collaboration with other organizations.

Objective 1.2: Collaborate with the primary care system to improve services to those with serious co-occurring physical and behavioral health disorders.

Objective 1.3: Collaborate with stakeholders to reduce the stigma associated with being a behavioral health recipient.

Performance Measure:

- Number of completed suicides per 100,000.



Strategy 2: Ensure provision of consumer and family-focused behavioral health care.

Objective 2.1: Actively involve consumers and families in the design, implementation and monitoring of the behavioral health system.

Objective 2.2: Develop and implement an individual assessment and plan of care with every consumer and family.

Objective 2.3: Ensure the Arizona Principles are implemented by out-of-home providers.

Objective 2.4: Implement the federal grievance system requirements.

Objective 2.5: Implement the statutory expansion of the oversight responsibilities of Regional Human Rights Committees to include the non-Medicaid, non-Seriously Mentally Ill population.

Performance Measures:

- Percent of Title XIX families (with children ages 0-17) satisfied with services.
- Percent of Title XIX adult clients satisfied with services.
- Percent of children being considered for foster care placement who, within 24 hours, receive a behavioral health response.
- Number of staff trained on the principles and practices of the System of Care Reform on the Adolescent Unit of the Arizona State Hospital.
- Number of Arizona State Hospital treatment plans reflecting family-centered service planning.



Strategy 3: Enhance access to services where barriers exist.

Objective 3.1: Improve access to culturally competent behavioral health care.

Objective 3.2: Improve access to care in rural and geographically remote areas.

Objective 3.3: Expand and enhance the statewide network of providers.

Performance Measures:

- Percent of Title XIX/XXI clients receiving respite services.
- Percent of Title XIX/XXI clients receiving therapeutic foster care services.
- Percent of Title XIX/XXI clients receiving substance abuse detoxification services.
- Percent of Title XIX/XXI clients receiving a first service within 23 days of initial assessment.
- Number of Arizona State Hospital staff receiving cultural competency training.

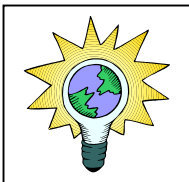


Strategy 4: Establish a common practice of early behavioral health screening, referral, and assessment.

Objective 4.1: Implement the Early Childhood Assessment.

Performance Measure:

- Number of behavioral health practitioners and providers trained on the Early Childhood assessment tool.



Strategy 5: Promote service delivery excellence through implementation of best and promising practices.

Objective 5.1: Execute a systematic method to implement best practices across the statewide publicly funded behavioral health system.

Objective 5.2: Evaluate and enhance the treatment process for patients residing at the Arizona State Hospital.

Objective 5.3: Deliver services in accordance with changing needs and expectations to patients at the Arizona State Hospital.

Objective 5.4: Continue to develop and implement the best possible publicly funded behavioral health system.

Performance Measures:

- Number of Arizona State Hospital patient treatment plans revised
- Number of cases reviewed using a consultative interdisciplinary case review process for patients not responding to treatment
- Number of Arizona State Hospital patients receiving group therapy
- Number of Arizona State Hospital patients receiving vocational rehabilitation
- Number of Arizona State Hospital patients receiving wellness recovery planning

- Number of Arizona State Hospital patients receiving peer support counseling
- Number of Arizona State Hospital staff receiving Dialectical Behavioral Training
- Number of Arizona State Hospital staff trained on improved service delivery to adolescents
- Number of Arizona State Hospital staff trained on delivering services to patients with borderline personality disorders
- Number of Arizona State Hospital staff trained on delivering services to patients deemed guilty except insane
- Number of Arizona State Hospital staff trained on delivering services to forensic competency restoration patients
- Number of Arizona State Hospital staff attending training on delivering services to patients with substance abuse diagnoses
- Number of patients on more than one atypical anti-psychotic medication
- Number of patients with improvement in weight management goals



Strategy 6: Provide a safe, secure environment for patients and staff at the Arizona State Hospital and the community at-large.

Objective 6.1: Monitor and address current and potential factors affecting safety.

Objective 6.2: Attract, develop and retain qualified, dedicated Arizona State Hospital staff.

Objective 6.3: Improve technological support at the Arizona State Hospital so that patient information can be better accessed and maintained.

Performance Measures:

- Percent of restraint/seclusion records reviewed
- Number of Arizona State Hospital-wide disaster drills conducted
- Number of Arizona State Hospital wide managerial support meetings conducted
- Number of databases migrated to a standardized collection and reporting system
- Number of information technology staff recruited to support Arizona State Hospital automated systems



Strategy 7: Ensure that data collected is reported accurately and made accessible.

Objective 7.1: Improve submission of claims and encounters received from providers and Regional Behavioral Health Authorities.

Objective 7.2: Improve the timeliness, completeness, accuracy and consistency of enrollment and disenrollment transactions and demographic data sets.

Objective 7.3: Improve the information and reports available to meet community needs.

Performance Measure:

- Percent of encounters received no later than 210 days after the end of the month in which service is rendered.

**Goal 3: To ensure the health and safety of all Arizonans through a comprehensive system for licensing, monitoring, and technical assistance.**



Strategy 1: Increase the timeliness and effectiveness of the Department's processes for licensing and investigating regulated facilities.

*Strategic Issue: Pursuing proactive regulation, with an emphasis on timely licensing, investigation, enforcement and technical assistance by a well-trained and adequately staffed workforce.*

The Department of Health Services is committed to working effectively with licensed providers. While statutorily mandated to license, inspect, monitor and take appropriate enforcement action for non-compliance, the Department is also committed to a proactive regulation model. Such a model includes training assistance to providers and educating providers about required standards. By providing training and improved technical assistance, the Department can better protect the health and safety of Arizonans.

Objective 1.1: Increase provider compliance with health and childcare regulations.

Objective 1.2: Improve the efficiency of the licensing survey process.

Objective 1.3: Improve staffing levels in each licensing program.

Performance Measures:

- Percent of re-licensure surveys (health care) completed on time.
- Percent of re-licensure surveys (child care) completed on time.
- Percent of priority two complaint investigations (child care) initiated within ten days.
- Percent of priority two complaint investigations (health care) initiated within ten days.





Strategy 2: Improve communications to consumers and providers.

Objective 2.1: Improve communication to consumers.

Objective 2.2: Improve communication to licensed providers.

Objective 2.3: Improve website information available to consumers.

Performance Measures:

- Percent of licensed providers satisfied with services.
- Number of visits to the Department of Health Services website (per month).

**Goal 4: To deliver courteous, efficient, responsive, and cost-effective service to the agency's external and internal customers, stakeholders, and key policymakers.**



Strategy 1: Address the needs of the Department's current and future workforce.

Objective 1.1: Determine how an aging workforce will affect the Department now and in the future.

Objective 1.2: Develop and implement methods of addressing opportunities and challenges posed by an aging workforce.

Performance Measures:

- Percent of agency staff turnover.



Strategy 2: Effectively and efficiently track and manage the agency's resources.

Objective 2.1: Improve systems for managing and tracking the agency's human resources.

Objective 2.2: Improve tracking of Department equipment.

Performance Measure:

- Number of employees attending fixed assets training.



Strategy 3: Support the implementation of Department goals through improved business services.

Objective 3.1: Secure timely and cost-effective travel services for Department staff.

Objective 3.2: Improve procurement processes and operations.

Objective 3.3: Identify and implement statewide/agency-contracting opportunities.

Objective 3.4: Develop a self-sufficient, customer-oriented copy center.

**Performance Measures:**

- Number of amendments processed.
- Percent of purchase and contract requisitions processed in 10 days (0-\$1000).
- Percent of purchase and contract requisitions processed in 12 days (\$1,001-5,000).
- Percent of purchase and contract requisitions processed in 20 days (\$5,001-35,000).
- Average days to pay travel claims.
- Percent of copy jobs sent electronically.

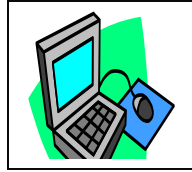
*Strategic Issue: Improving customer services through E-Business solutions.*

The Department is committed to increasing customer service to internal and external customers. As part of this effort, the Department is pursuing an E-Business strategy. This strategy allows both internal and external customers to access, manipulate, and use agency information.

The Department will pursue three closely related objectives as part of its E-Business strategy. The first objective will be to define internal and external customer requirements for agency-owned data. The Department will assess current business processes, define present and future needs, and develop browser-based technological solutions to meet these needs. Such browser-based solutions will allow integration and manipulation of data from numerous data sources. Once solutions have been identified and implemented, the Department will move forward in providing both internal and external customers access to the data so that health trends can be assessed and health outcomes monitored.

A second E-Business objective that the agency is pursuing is creation of an agency Intranet solution. An Intranet will allow internal information to be shared and managed more easily among Health Services employees.

Finally, the Department is making strides to provide critical business partners access to specific internal information resources. The Department is developing an Extranet that will allow outside partners to access and provide information to the Department in a secure manner. For example, current efforts to provide hospitals and funeral homes with an Extranet solution will allow them to send birth and death information to the Department in a more timely, secure, and efficient manner.



Strategy 4: Develop and implement information technology system solutions to improve the delivery of public health programs.

Objective 4.1: Expand use of Intranet technologies to enhance internal communications.

Objective 4.2: Implement an Extranet solution to enhance e-government services to external constituents.

Objective 4.3: Expand implementation of browser-based applications.

Objective 4.4: Identify and communicate information technology priorities and planning efforts.

Objective 4.5: Develop information technology standards for the development and management of application systems.

Performance Measures:

- Number of browser-based solutions implemented.

## Department of Health Services

### Resource Assumptions - Summary

*Five-Year Strategic Plan*

Current Year (FY 2005) and Aggregate Change FY 2006 - FY 2010

#### All Goals - Agency Resource Summary

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<b>Full Time Equivalent (FTE)</b>	2,240.7	162.1	162.1	162.1	162.1	162.1
General Fund	367,491.9	173,948.8	241,492.9	317,271.7	380,055.9	448,755.1
Other Appropriated Fund	62,957.6	(29,738.1)	(29,073.1)	(28,293.7)	(27,435.8)	(26,697.5)
Non Appropriated Fund	783,138.2	50,433.3	142,180.8	248,071.6	368,227.0	502,120.1
Federal Funds	255,357.1	(3,033.3)	2,301.8	8,228.0	14,503.0	20,359.2
<b><u>TOTAL FUNDS - ALL GOALS</u></b>	<b><u>1,468,944.8</u></b>	<b><u>191,610.7</u></b>	<b><u>356,902.4</u></b>	<b><u>545,277.6</u></b>	<b><u>735,350.1</u></b>	<b><u>944,536.9</u></b>

#### Assumptions:

The Resource Assumption estimate assumes full funding for the Department's entire Decision Packages and Other Issues in the FY 2006 Budget Request, which ultimately will be determined by the Governor and the Legislature. Those policy decisions await the outcome of the elected policymakers response to the state of the economy.

The FY 2006 Budget Request was used as the base to project estimates for FY 2007 through FY 2010. The projections for these upcoming years were made by taking the FY 2006 requested amount and adding an annual inflation factor at 2.15 percent to 2.35 percent. These inflation adjustments were from averages reported by Oregon State University, using figures from the President's Office of Management and Budget and the Congressional Budget Office. In addition, growth in client population and medical

inflation was estimated for Behavioral Health Services and Children's Rehabilitative Services Title XIX entitlement programs. Finally, adjustments were made to eliminate any FY 2006 one-time funding items from the base for other future years.

A change in FTE Positions is not projected in this Resource Assumption. The reallocation of existing FTE Positions or increase in FTE Positions is highly dependent on funding levels set by state policymakers. In addition, the number of FTE Positions can vary significantly depending on policies set by the federal government.

**Goal 1 - Resource Assumptions**  
*Five-Year Strategic Plan*  
Current Year (FY 2005) and Aggregate Change FY 2006 - FY 2010

**Goal 1: To promote and protect the health of Arizona's children and adults.**

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<b>Full Time Equivalent (FTE)</b>	664.3	6.8	6.8	6.8	6.8	6.8
General Fund	54,805.0	9,606.5	13,731.7	17,518.1	21,684.7	26,121.2
Other Appropriated Fund	11,428.5	(11.3)	234.2	502.4	782.8	1,051.4
Non Appropriated Fund	88,382.9	53.1	5,271.4	11,988.6	19,440.8	27,498.4
Federal Funds	209,254.9	(3,214.3)	1,215.6	6,056.4	11,116.2	15,964.4
<b><u>TOTAL FUNDS - GOAL 1</u></b>	<b><u>363,871.3</u></b>	<b><u>6,434.0</u></b>	<b><u>20,452.9</u></b>	<b><u>36,065.5</u></b>	<b><u>53,024.5</u></b>	<b><u>70,635.4</u></b>

**Assumptions:**

The Resource Assumptions assume full funding for the Department's entire Decision Packages and Other Issues in the FY 2006 Budget Request, including a new healthy aging fall prevention initiative and a request to fund breast and cervical cancer screening growth demands. There also is funding to replace non-appropriated Proposition 204 monies that are expected to be fully utilized in FY 2005 and FY 2006.

The projections assume enhancements to the Arizona State Immunization Information System and Tuberculosis Provider Care and Control Program. In addition, more state funding would be provided for meeting vaccine needs for children and for establishing a vaccine program for high-risk adults.

The projections for FY 2007 through FY 2010 include an annual inflation factor at 2.15 percent to 2.35 percent. In addition, medical inflation at 8.9 percent annually and client population growth at 2.5 percent annually were used for the Children's Rehabilitative

Services Title XIX entitlement program. These amounts were based on assumptions used by actuaries in establishing the FY 2006 capitation rates for this entitlement program.

The FY 2007 through FY 2010 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.



**Goal 2 - Resource Assumptions**  
*Five-Year Strategic Plan*  
Current Year (FY 2005) and Aggregate Change FY 2006 - FY 2010

**Goal 2: To ensure a comprehensive, unified behavioral health system for Arizonans.**

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<b>Full Time Equivalent (FTE)</b>	1,095.8	119.3	119.3	119.3	119.3	119.3
General Fund	290,765.9	159,298.6	222,735.5	293,503.3	351,197.8	415,176.5
Other Appropriated Fund	40,574.8	(29,424.8)	(29,185.1)	(28,923.1)	(28,649.3)	(28,386.9)
Non Appropriated Fund	692,908.6	50,359.5	136,905.6	236,036.6	348,638.1	474,486.8
Federal Funds	41,468.4	(6.2)	885.2	1,859.4	2,877.6	3,853.2
<b><u>TOTAL FUNDS - GOAL 2</u></b>	<b><u>1,065,717.7</u></b>	<b><u>180,227.1</u></b>	<b><u>331,341.2</u></b>	<b><u>502,476.2</u></b>	<b><u>674,064.2</u></b>	<b><u>865,129.6</u></b>

**Assumptions:**

The Resource Assumptions assume full funding for the Department's entire Decision Packages and Other Issues in the FY 2006 Budget Request, including funding for the Arnold v. Sarn settlement and inflation for drug costs at the Arizona State Hospital. There also would be funding for treating Hepatitis C found in patients at the Arizona State Hospital and for addressing behavioral health needs that will grow significantly with the aging population.

The estimate for FY 2006 reflects a reduction in Other Appropriated funds for a proposed shift from Tobacco Tax to General Fund in FY 2006 to deal with cash flow issues. The change also is seen in the other future year projections.

The Department used medical inflation at 5.0 percent annually and growth in client population at 8.0 percent annually to make these projections. The amounts were in addition to an annual overall inflation factor at 2.15 percent to 2.35 percent, based on averages reported by Oregon State University.

The FY 2007 through FY 2010 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.

**Goal 3 - Resource Assumptions**  
*Five-Year Strategic Plan*  
Current Year (FY 2005) and Aggregate Change FY 2006 - FY 2010

**Goal 3: To ensure the health and safety of all Arizonans through comprehensive systems for licensing, monitoring, and technical assistance.**

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<b>Full Time Equivalent (FTE)</b>	234.0	21.0	21.0	21.0	21.0	21.0
General Fund	7,637.0	1,011.2	1,780.6	2,602.0	2,747.0	2,975.5
Other Appropriated Fund	1,619.1	(513.3)	(495.5)	(469.6)	(442.6)	(416.7)
Non Appropriated Fund	1,803.9	(48.9)	(11.2)	30.1	73.2	114.5
Federal Funds	4,005.7	187.2	268.2	366.5	469.2	567.6
<b><u>TOTAL FUNDS - GOAL 3</u></b>	<b><u>15,065.7</u></b>	<b><u>636.2</u></b>	<b><u>1,542.1</u></b>	<b><u>2,529.0</u></b>	<b><u>2,846.8</u></b>	<b><u>3,240.9</u></b>

**Assumptions:**

The Resource Assumptions assume full funding for the Department's entire Decision Packages and Others Issues in the FY 2006 Budget Request, including additional funding for 21.0 new FTE Licensure surveyors. The request includes a three-year plan beginning in FY 2006 that will result in a facility to licensing staff ratio at 50 to1 for childcare centers in FY 2008.

The projections for FY 2007 through FY 2010 include an annual inflation factor at 2.15 percent to 2.35 percent, using the FY 2006 Budget Request as the initial base amount.

The FY 2007 through FY 2010 projections assume continued committed funding by the state for Maintenance of Effort and State Match requirements to draw down federal funding.

**Goal 4 - Resource Assumptions**  
*Five-Year Strategic Plan*  
Current Year (FY 2005) and Aggregate Change FY 2006 - FY 2010

**Goal 4: To deliver courteous, efficient, responsive, and cost-effective service to the agency's external and internal customers, stakeholders, and key policymakers.**

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
<b>Full Time Equivalent (FTE)</b>	246.6	15.0	15.0	15.0	15.0	15.0
General Fund	14,284.0	4,032.5	3,245.1	3,648.3	4,426.4	4,481.9
Other Appropriated Fund	9,335.2	211.3	373.3	596.6	873.3	1,054.7
Non Appropriated Fund	42.8	69.6	15.0	16.3	74.9	20.4
Federal Funds	<u>628.1</u>	<u>0.0</u>	<u>(67.2)</u>	<u>(54.3)</u>	<u>40.0</u>	<u>(26.0)</u>
<b><u>TOTAL FUNDS - GOAL 4</u></b>	<b><u>24,290.1</u></b>	<b><u>4,313.4</u></b>	<b><u>3,566.2</u></b>	<b><u>4,206.9</u></b>	<b><u>5,414.6</u></b>	<b><u>5,531.0</u></b>

**Assumptions:**

The Resource Assumptions assume full funding for the Department's entire Decision Packages and Other Issues in the FY 2006 Budget Request, including meeting the needs for Information Technology Services for the Arizona State Hospital's Computer Technology System already funded and established. It also assumes funding to establish a computer hardware and software three-year replacement plan that would discontinue the current piecemeal replacement approach and result in savings from greater efficiencies and reduced support needs.

The projections for FY 2007 through FY 2010 include an annual inflation factor at 2.15 percent to 2.35 percent, using the FY 2006 Budget Request as the initial base amount.